



The President's Daily Brief

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3 October 1973

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PRINCIPAL DEVELOPMENTS

The West European allies are upset at congressional moves in favor of unilateral US force reduction overseas, and may try harder to come up with ways to reduce the cost of stationing troops in Europe. There have been some positive signs in the deliberations of the NATO study group dealing with this problem, but a satisfactory solution still seems a long way off. (Page 1)

The Soviets have begun to build two more new silos at the Pervomaysk ICBM complex. The positioning of the silos suggests they will have a function related to command and control. (Page 2)

The South Vietnamese are taking the offensive in the central highlands, in part to avenge the capture last week of the Plei Djerang Ranger camp--the largest outpost to fall to the Communists since the January cease-fire. (Page 3)

London's decision to withdraw its warships from disputed waters around Iceland has prevented a break in relations with Reykjavik. Iceland quickly accepted a British proposal for further negotiation. (Page 4)

Notes on Soviet ICBM testing and on preparations for a nuclear test in China appear on Page 5. There are also brief items dealing with recent developments in Chile and East Germany.

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NATO

Actions by the US Senate favoring unilateral force reduction overseas have put new pressure on US allies to come up with multilateral ways to reduce the cost of stationing troops in Europe. Bonn was shocked by the Senate's action, and both Foreign Office officials and Bundestag members are wondering whether the US will cut troop levels unilaterally.

As yet, however, the West Germans show no sign of being more willing to participate in any multilateral scheme. They have so far tried hard to prove that Bonn is already doing its fair share in bilateral arrangements.

There have been some positive signs in the recent deliberations of the NATO study group dealing with the problem. There is wide support for separating the US military deficit from other balance-of-payments figures, so that the deficit can be treated on a priority basis. In addition, the UK has not been pressing its own claim for balance-of-payments assistance lately.

The burden-sharing study group will probably send an initial report to the North Atlantic Council by the middle of the month, but this will be largely concerned with a precise definition of the balance-of-payments damage suffered by the US. There has been little discussion of solutions so far.

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USSR

[redacted] the USSR has begun to build two more new silos at the Pervomaysk ICBM complex. Both are located at SS-11 launch-control sites.

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New silos have now been identified at ten SS-11 launch-control sites--five at Pervomaysk, and five at the Derazhnya ICBM complex. The positioning of the silos suggests that they will have a function related to command and control. Thus far, however, they remain indistinguishable from silos from which ICBMs are launched.



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SOUTH VIETNAM

South Vietnamese leaders are saying that an attack last week on the Plei Djerang Ranger camp presages a new enemy offensive, but there is little to suggest that the Communists plan a major campaign in the highlands at this time. The two North Vietnamese divisions in the area are understrength and ill-prepared to sustain large-scale fighting. Rather it is the South Vietnamese who seem bent on taking the offensive, in part to avenge the capture of the Ranger camp--the largest outpost to fall to the Communists since the cease-fire last January.

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General Toan is said to believe that additional enemy moves will provide further justification for the government offensive.

There is a danger that Toan's forces may get bogged down in operations in the highlands. He will have to show some restraint in order to avoid committing them so deeply as to jeopardize security in adjacent Kontum and Binh Dinh provinces.

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UK-ICELAND

London announced yesterday that it was withdrawing its warships from disputed waters around Iceland on the assumption that Iceland would not harass British trawlers in the area. The ships are to remain just outside Iceland's declared 50-mile fishing limit, ready to re-enter if the harassment resumes. Iceland quickly accepted a proposal by Prime Minister Heath for further negotiation.

Reykjavik had threatened to break relations by midnight last night if the ships remained. Following a visit to London by NATO Secretary General Luns, however, the British in effect waived their demand for a formal prior Icelandic commitment not to harass the trawlers.

The British action should ease Icelandic hostility toward NATO for the moment, and improve the chances of a compromise on maintaining the US-manned NATO base at Keflavik. Foreign Minister Agustsson arrives in Washington today to begin negotiations on the issue. The shaky Icelandic Government will find it difficult to resist leftist agitation against British fishing, however, and unless the British make concessions, incidents at sea are likely to resume.

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NOTES

USSR: The Soviets successfully tested an SS-X-17 ICBM yesterday. [redacted]

[redacted] The last two SS-X-17 tests, in July, carried MIRVs. A flight test of another of the new Soviet ICBMs--the SS-X-16--apparently ended in failure on September 29.

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China: [redacted]

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[redacted] preparations at the test site were almost complete. Three IL-28 jet light bombers have been observed next to the weapons loading pit at the airfield that supports Lop Nor; one of them probably will deliver the device.

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Chile: The junta continues to give top consideration to maintaining security. [redacted]

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[redacted] The government has appointed military officers to undertake an ideological housecleaning of the universities, even though this will further disillusion the Christian Democratic Party. A military court now trying Communist chief Luis Corvalan for treason may sentence him to death, regardless of repercussions at home and abroad.

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East Germany: A Central Committee meeting yesterday approved a few new appointments to high positions in the party. Following the example set by Moscow last spring, the East Germans made their Defense Minister, General Heinz Hoffmann, a Politburo member. Among five party officials elected to candidate membership on the Politburo were two district leaders, and another was chosen for a position in the party Secretariat. The district party officials in particular owe allegiance to party chief Honecker and their elevation will strengthen his control.

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